

Provider Open Communication Forum

- ***2012 Rates***
- ***SSB 5801 – Work Comp Reform***
- ***Advanced Imaging***



April 6, 2011

L&I's Proposed Conversion Factor

- Current conversion factor
 - \$60.78
- Proposed conversion factor
 - \$55.34
- Budget neutral
- Result of an approximate 11% increase in RVUs
- Effective date: July 1, 2011





Workers' Compensation Reform

- SSB 5801:
 - Create a single medical provider network for treating injured workers, which consists of typical health insurance minimal standards like having malpractice insurance.
 - Establish a performance-based tier in the network that qualifies providers for financial and other incentives for using occupational health best practices.
 - Expand the Centers of Occupational Health and Education (COHE) statewide.
 - Forms an Advisory Group

Medical Provider Network

All Washington Providers

- Exception for first visit
- Some don't take work comp patients or won't want to apply
- Some may not meet or no longer meet credentialing standards

L&I's Provider Network

- Preserves worker choice
- Allows Credentialing & sets minimal standards e.g. following treatment guidelines
- Advisory Group to set other standards

COHE Providers and/or

Tier 2 Network Providers

- Higher standards = performance based occupational health best practices like COHE;
- Expands COHE (2013 & 2015) & emphasis of additional R&D
- Tier 2 standards - to be developed
- Financial & non-financial incentives available





Major reform element:

Centers of Occupational Health and Education (COHEs)

- Delivery of care based upon existing, successful, occupational medicine model:
 - Improved care coordination.
 - Emphasized early return to work.
 - Provided integrated case management.
 - Fostered provider-employer communication.

COHE Financial Incentives (existing)

- Quality indicators developed to promote occupational health best practices
- Financial incentives for meeting targets:
 - 50% increase in payment for submission of accident report within 2 business days
 - Health Service Coordinator (HSCs) - provide care coordination and early return-to-work coordination. Fee for service
 - Activity Prescription form
 - Provider phone calls to employers
 - Assessment of barriers to return to work




Occupational Health Best Practices

(new pursuant to SSB 5801)

- L&I will expand access to Centers for Occupational Health and Education (COHE) for all workers in the state.
- L&I will research, develop, pilot and implement benchmark quality indicators (QIs) of occupational health best practices for individual providers.
- L&I will develop appropriate financial and non-financial incentives for providers based on progressive and measurable gains relating to the QIs.
- COHEs will develop and test best practices to reduce long-term disability for the duration of the claim in conjunction with developing methods of tracking measures and outcomes.
- The information will be used to evaluate progress in the medical provider network and the COHEs, and to allow efficient coordination of services.

Occupational Health Best Practices (COHEs) Business Driving Research & Research Driving Policy



Centers of Occupational Health and Education (COHEs) - Windows Internet Explorer

http://www.lni.wa.gov/ClaimsIns/Providers/Research/OHS/default.asp

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Centers of Occupational Health and Education (COHEs)

About Providers Worker Employer **Research** Future Plans

Research

Key results from the evaluations of the COHEs

The University of Washington (UW), under contract from the Department of Labor and Industries, (L&I) has done a series of evaluations of the Centers of Occupational Health and Education. These evaluations include outcome evaluations, process evaluations, surveys and focus groups. In addition, L&I continues to capture ongoing performance measures of the COHEs in a quarterly scorecard.

Key points from research on the effectiveness of the COHEs

- The COHEs have substantially prevented long-term disability, reducing costs by an average of \$480 per claim and lost work time by an average of four days.
- These savings continue to accrue three to four years after the claim is filed, even though the COHE intervention occurs during the first 12 weeks of the claim.
- In the first year alone, the Renton and Eastern Washington COHEs together saved approximately \$8 million compared to control groups.

COHE Evaluations

Trusted sites | Protected Mode: Off 125%



Other reform elements

- Stakeholder and Advisory Group
 - L&I will establish the network, considering input from health-care provider groups and associations.
 - Will advise on a host of topics related to the legislation
- Injured workers will have the choice of a provider in the network.
- For the initial visit, care from a non-network provider will be allowed.

Minimum network standards

- The advisory group will recommend minimum credentials for network providers such as:
 - Current malpractice insurance;
 - Previous malpractice judgments or settlements not in excess of criteria to be determined;
 - No licensing or disciplinary action in any jurisdiction or loss of privileges;
 - For some specialties such as surgeons, privileges in at least one hospital; and
 - Possible consideration of whether credentialed by another health plan; or alternative criteria for providers who are not credentialed by another plan, to address access-to-care concerns in certain regions.
- Once established as a Network Provider, must follow L&I's evidence-based coverage decisions and treatment guidelines, policies, and other national treatment guidelines appropriate for individual patients.

Tier 2 – Performance-based

- Providers may qualify under a performance-based, occupational health best practice tier within the network.
- These providers will be entitled to financial and non-financial incentives.
- The details of this tier need to be developed.
 - Probably look like COHE type systems
 - L&I will work with Advisory Group over next 12 to 24 months to develop standards

Risk of harm

- L&I can take appropriate action to work with the provider if provider does not meet minimum network standards.
- In instances where a provider exhibits a pattern of poor quality care that exposes patients to risk of harm, L&I can remove the provider from the network.
 - Such patterns include treatments for which the risks of harm exceed the benefits or patterns of treatments not shown to be curative, safe, or effective based on research.
 - Further definitions to be developed

Advanced Imaging Management (AIM)

Evidenced-based guidelines and L&I utilization review (UR)





Advanced Imaging Management (AIM)

Evidenced-based guidelines and utilization review (UR)

- The Legislature (2009, ESHB 2105) established a committee to develop guidelines and an approach for state payers for radiological and imaging services
- Committee identified highest cost/utilization/variability advanced diagnostic imaging services
- Then developed evidence-based guidelines or protocols for each specific service for quick web-based prospective utilization review using same approach for all state payers (L&I, DSHS/Medicaid)



AIM Guidelines

- Lumbar Spine
- Cervical Spine
- U/E MR(shoulder, elbow, wrist/CTS)
- L/E MR (hip, knee, ankle/foot)
- Brain/Headache
- Thoracic Spine



Advanced Imaging Management (AIM)

Evidence-based Radiology Guidelines & Utilization Review (UR)

Three UR Simplification Innovations

Efficient, quick, low burden process, including:

- 1. Web-based checklist review**
- 2. Log-on access through www.OneHealthPort.com**
- 3. Institutional “Gold Card” pilot for UR simplification**



Questions?

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